

# EXHIBIT 37

# Puerto Rico Aims to Woo Wall Street and Put Bankruptcy in Rearview Mirror

Officials meet in NYC as about a dozen protesters gather  
Territory touts growth, but faces energy, fiscal challenges



A beach in Fajardo, Puerto Rico. *Photographer: Jonathan Alpeyrie/Bloomberg*

By Jim Wyss and Michelle Kaske

May 18, 2023 at 8:00 AM EDT *Updated on May 18, 2023 at 11:16 AM EDT*

Barely a year out of bankruptcy, Puerto Rico's top officials are descending on Wall Street in an attempt to convince global investors that the Caribbean island — long battered by hurricanes and fiscal mismanagement — is open for business.

Hundreds of bankers, investors and developers are gathering in downtown Manhattan on Thursday and Friday for a conference, dubbed PRNOW. Attendees will schmooze with officials — including Puerto Rico's Governor Pedro Pierluisi and New York Governor Kathy Hochul — at Cipriani Wall Street, the former home of the New York Stock Exchange and a Manhattan landmark that boasts sweeping Greek rival architecture and 70-foot-high ceilings.



Pedro Pierluisi *Photographer: Ting Shen/Bloomberg*

The conference will reacquaint Wall Street's institutional investors with Puerto Rico and allow the territory — now flush with federal reconstruction money — to flaunt its recent achievements including upswings in tax revenue, economic activity, tourism and employment. Those successes were hard won after the island in 2017 began the largest municipal bankruptcy in US history just as it was hit by Hurricane Maria, one of the most destructive storms to ever touch US soil. A federally-appointed oversight board has been controlling Puerto Rico's finances since 2016.

"After more than a decade of fiscal challenges, natural disasters and a global pandemic, our island has emerged stronger than ever," Pierluisi told the audience. "We have put our government's bankruptcy behind us."

Puerto Rico's real gross domestic product jumped 3.7% last year, the strongest growth in more than two decades, according to the island's planning board. The island needs that growth — more than 40% of



the population lives in poverty while the median household income is roughly \$22,000 per year.

Read More: [Puerto Rico Tries to Woo Big Business Amid Widespread Challenges](#)

## Energy Crunch

The conference — now in its second year — kicked off Thursday with a conversation between Pierluisi and Omar Marrero, the island’s secretary of state, followed by Hochul. Subsequent sessions led by the commonwealth’s economic cabinet will focus on the island’s fiscal outlook, federal recovery funds and “moonshot” economic opportunities. Friday’s session will focus on one of the island’s biggest challenges: the transformation of the energy sector.

[See full PRNOW agenda here](#)

The island desperately needs to provide affordable and reliable energy to secure future growth. But its main supplier of electricity, the [Puerto Rico Electric Power Authority](#), or [Prepa](#), remains bankrupt and ensnared in litigation as it attempts to restructure some \$9 billion of debt. The public utility and bondholders have yet to strike a new debt-cutting deal. The judge overseeing the case has threatened to dismiss it if the parties fail to agree on a confirmable restructuring plan — opening the door for more litigation.



Read More: [Puerto Rico Utility Bankruptcy Risks Dismissal on Debt Plan](#)

Pierluisi and Puerto Rico officials will also be courting traditional municipal-bond buyers just as the island's coal-fired plant hovers on the edge of defaulting on a June 1 tax-exempt debt payment. The company overseeing the facility, [AES Puerto Rico LP](#), says it doesn't have the money to make the payment. While the debt isn't an obligation of the commonwealth or Prepa, it was sold by a government conduit on behalf of AES to build the plant, which sells electricity to Prepa.

## Regaining Control

Friday's final panel will be closely watched as muni traders from [Barclays](#), [RBC Capital Markets](#), [BofA Securities](#), [Jefferies](#) and [JPMorgan](#) discuss the state of the market. One of the preconditions for the federal oversight board to disband — and return budgetary control to the commonwealth government — is for the island to return, in full, to the bond market.

"We're looking forward to the day we enter the capital markets again," Pierluisi said, without providing a time line. But he said it was important for the commonwealth to keep engaging the New York financial community "so they keep backing us up in the coming years."

While the commonwealth has paid principal and interest in the current fiscal year — a first since defaulting on its general obligation bonds in 2016 — it was the oversight board that included that debt-service expense in the budget after island lawmakers failed to.





Protestors gather outside a Puerto Rico investor conference in lower Manhattan on May 18. *Photographer: Jim Wyss/Bloomberg*

Juan Carlos Blanco, Puerto Rico's director of the Office of Management and Budget, said the government was already building those payments into next year's budget, which is due July 1.

"100%, we have that obligation," he said of the debt payments, "and we intend to fulfill it."

The banks also want Puerto Rico to obtain investment-grade ratings and file on-time financials to increase the pool of available investors as many are restricted from buying speculative-grade debt. Moody's Investors Service and S&P Global Ratings slashed Puerto Rico's general-obligation bonds to junk in 2014.

Outside the venue, about a dozen protesters chanted "Puerto Rico is not for sale" and screamed "colonizers" at attendees. David Galarza, one of the protesters, said the conference was little more than a "feast for vulture funds" eager to seize Puerto Rico assets on the cheap.

"The very people who created the financial crisis are now the ones trying to reap the rewards," he said. "They need to take Puerto Rico off the menu."

— With assistance by Sam Hall

(Updates throughout with details, commentary from the conference starting in the fourth paragraph.)